

MICHIGAN ASSOCIATION OF SUBSTANCE ABUSE COORDINATING AGENCIES

Testimony Presented to Michigan House Appropriations Committee Wednesday, July 16, 2014

In Support of HB 4891

Mr. Chairman and Members of the Committee:

My name is Kristie Schmiede. I am Director of Prevention and Health Promotion of Genesee Health System, which currently is the Coordinating Agency for Genesee County. I am speaking as President of the Michigan Association of Substance Abuse Coordinating Agencies, commonly known as MASACA. Our members are the directors of the 16 Coordinating Agencies responsible by statute for planning, funding and overseeing treatment and prevention services in all 83 Michigan counties. I am here today to express our strong support for HB 4891.

It seems to us there are three principal questions we need to answer to gain your support for HB 4891.

First, why should the legislature fund substance use disorder services at all? The simple answer is that substance use disorders do more harm to the individuals, families and local communities you represent than any other public health problem we know of. The Center for Disease Control and Prevention recently reported that a stunning 1 in 10 deaths of working age adults may be due to excessive alcohol consumption.....1 in 10! Also, you have seen the headlines for years about the huge increase in prescription drug abuse by all age groups across the country. And in the past couple of years, you have heard how that problem has evolved into a new heroin epidemic as prescription opiate users turn to heroin as a cheaper and more readily available alternative. Our young people especially suffer the effects of alcohol and drugs. They are cause of most accidental deaths on college campuses and for the majority of cases of date rape and unprotected sex. As if all these personal and family tragedies are not enough, excessive alcohol use, again according to an extensive C.D.C. study, costs Michigan \$8.2 billion in 2006, with the state picking up 42.7% of that total or \$3.5 billion. That cost includes lost productivity of our work force at a time when we are so focused on growing our state economy, as well as social service costs, medical costs and criminal justice system costs. And that financial cost does not calculate the pain and suffering of the drinker and those affected by him/her, your constituents.

It appears that this legislature itself recognizes and is responding to many of these drug and alcohol related problems. The legislative Mental Health Commission has made recommendations for improving and expanding services for people with mental disorders and substance use disorders, sometimes both in the same person. And the Commission made it real by adding \$15 million to the budget to support their recommendations. The legislative Diversion Council is looking closely at a problem any sheriff or chief of police can identify, that our jails and prisons hold too many with mental and/or substance use conditions that should be receiving services elsewhere. The Council is considering the best way to divert as many people as possible to more appropriate services that can disrupt the costly misuse of the justice system. But the truth is that none of the good plans laid out by these legislative work groups will

mean anything unless adequately funded services are readily available to those who need them.

So yes, the legislature needs to be addressing with reasonable funding the severe public health and other costly problems resulting from alcohol and drug misuse.

Second question: With the Affordable Care Act's individual mandate and expanded Medicaid enrollment under Healthy Michigan, why do we need this funding? The individual mandate and Healthy Michigan certainly bring health benefits to many who lack them. But even the Dept. of Community Health estimates that 25% of people eligible for Healthy Michigan, for a variety of reasons, will not get covered. We also recognize that many people covered by the individual mandate will opt out of insurance coverage, especially young adults who feel they do not need that insurance, but may well find themselves one day in need of substance use disorder treatment. And the substance use disorder benefit under many insurance plans is extremely limited and covers a limited range of services. Often missing are some of the newer services which the science of addiction and treatment tells us greatly increase the likelihood of successful, long term recovery. Insurance plans also exclude or limit access to new – and expensive – medications which have been proven to help achieve and maintain recovery.

In fact, we in MASACA have thought seriously about critical priorities for these funds if the bill is approved. We will expand treatment capacity to eliminate the waiting lists now existing in many parts of the state. We will expand the now very limited access to recovery homes/sober houses that provide safe, secure housing for people who otherwise would be in a heavy drug/alcohol environment. We will provide peer coaches who help people through the challenges and stressors of early recovery. We will expand medication assisted treatment that effectively supports other recovery services, medications now often unavailable. We will take advantage of new personal telecommunication technology to support people in recovery more effectively and efficiently. As much as anything, we will devote adequate resources for prevention services, to sustain prevention coalitions, the folks in your local communities trying at the front door to reduce the harm caused by alcohol and drugs. Prevention services are woefully underfunded due to the great treatment demands that too often exhaust funds.

Yes, Healthy Michigan and the individual mandate help. But without the funds of HB 4891, far too many people will go unserved and far too many services simply will not be available.

I also want to recognize that, as drafted, HB 4891 ensures that the funds will be dedicated only to substance use disorder services. Its wording excludes diversion to any other purpose or service. In fact, by a provision of this bill and pursuant to P.A. 500/501 of 2012 sponsored by a member of this committee, Rep. Earl Poleski, the specific use of the funds locally will be subject to review and approval of the local Substance Use Disorder Oversight Policy Board. In Rep. Poleski's legislation, that Board was created precisely to ensure that such funding is used only as intended, i.e., for substance use disorder treatment and prevention services.

All this leads to a final question: Why should the state's alcohol taxes and fees income be used for this purpose? In this state, where the General Fund allocation for substance use disorder services has dropped by over half in the past 20 years, from \$35 million in 1995 to \$16 million today, HB 4891 will create a reasonable, predictable, dedicated funding stream to address a major public health problem. As you may know, the state benefits quite richly from alcohol sales, to the tune of \$363 million net income in 2012. Various studies indicate that the 10 to 15% of the population who are problem or alcoholic drinkers consume a disproportionate share of the product, estimated at more than 50% of all consumption. They contribute a disproportionate share of alcohol related income to the state, as

well as create a disproportionate share of the problems. HB 4891 takes a small portion of the revenues alcohol generates, a fraction of 1% of the state's General Fund, and dedicates it to treat the folks who have problems with alcohol or drugs. It seems unconscionable that we generate such high income year after year from alcohol users without assuring that a reasonable portion of that income is dedicated to helping those who finally need help. HB 4891 goes a long way toward guaranteeing that help is there. This funding makes possible effective services for our family members, our friends, our neighbors, our local communities, who suffer from the misuse of alcohol and other drugs. Not only is this a humane response to those in need. Justice demands that we make this help available.

This is an opportunity for you as legislators to make a bi-partisan decision to address a very non-partisan disease. We in MASACA strongly urge you to support HB 4891 unanimously and forward it to the full House for passage.

Thank you for your kind attention. We will be glad to answer any questions you may have.

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